Agreements/JVs with foreign countries in oil and gas sector

*311. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of the agreements/Joint Ventures entered into between Government and foreign countries pertaining to oil and gas sector during the last two years, project-wise, country-wise and year-wise till dated; and

(b) the total investment involved (country-wise) in these Joint Venture projects indicating the extent to which India is likely to be benefited and the budgetary allocations made during the year 2007-08 in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURALI DEORA): (a) and (b) No agreement has been signed in the oil and gas sector by the Government with foreign countries during the year 2005-06 and 2006-07. However, eight Memoranda of Understanding (MOU) for cooperation have been signed by Ministry of Petroleum & Natural Gas with foreign Governments, namely, Ministry of Economy and Commerce of Romania; Ministry of Energy and Natural Resources of the Republic of Turkey; Ministry of Commerce, Industry and Energy of the Republic of Korea; National Development and Reforms Commission (NDRC) of the People's Republic of China (two MOUs); Ministry of Economy, Trade and Industry (METI), Japan; US Energy Information Administration (US EIA) and UZBEKNEFTGAZ the National Holding Company of Uzbekistan in the year 2005-06 and 2006-07.

2. The MOU with Ministry of Economy and Commerce of Romania provides for cooperation in oil and gas related matters mainly in the fields of basic and applied research and development; manufacture, upgrading and supply of drilling rigs and petrochemicals processing units; oil energy and environment issues; training and technical assistance; risk management; environmental protection including oil spill emergency response systems etc.

3. The MOU with Ministry of Energy and natural Resources of the Republic of Turkey provides for cooperation to promote links between Indian and Turkish companies in undertaking Exploration and Production (E&P) oil and gas pipeline initiatives in Turkey and abroad; undertake basic and applied research and development, manufacture, upgrading and supply of drilling rigs and petrochemical processing units; environmental issues; development of regional energy infrastructure network; training etc.

4. The MOU with the Ministry of Commerce, Industry and Energy, Korea provides for cooperation in the field of oil and gas between Indian and Korean companies in undertaking E&P initiatives in India and third countries; basic and applied research and development; manufacture, upgrading and supply of drilling rigs; cooperation in underground petroleum storage facility and allied activities; oil energy and environmental issues; training; Environmental protection, including oil spill emergency response systems etc.

5. The MOUs with NDRC, China provides for cooperative participation in upstream and downstream projects in India, China and third countries; joint pursuit of R&D proposals particularly in the areas of increased oil recovery and enhanced oil recovery; bring together their significant position in the international oil market by exploring the possibility of joint purchases of crude oil and gas, etc.

6. The MOU with Ministry of Economy, Trade and Industry (METI), Japan, was signed for exchange of information and technology with respect to strategic oil and gas reserves and to network with each other to promote greater mutual understanding of the global economy.

7. The MOU with US EIA provides for exchange of annual hyderocarbon sector market statistics, other related data and information concerning fuel characterists, refining capacity, reserves and other hydrocarbon sector information, statistical methods, analytical techniques and systems documentation and electronic information dissemination.

8. The MOU with UZBEKNEFTGAZ provides for bilateral cooperation in different areas of hydrocarbon sector, including joint bids for assets, bidding in NELP rounds for participation in the Indian E&P sector, and

cooperation in regard to R&D technology, training of specialists and promotion of environment friendly fuels.

9. The MOUs with the Ministry of Economy and Commerce of Romania, Ministry of Energy and Natural Resoures of Republic of Turkey and the Ministry of Commerce, Industry and Energy of Republic of Korea will establish the basis for a cooperative institutional relationship and encourage and promote bilateral cooperation on oil and natural gas development issues. The MOU with Ministry of Economy, Trade and Industry (METI) Japan will help us in acquiring know-how in setting up our strategic storage which will enhance our energy security and meet supply disruptions and emergency exigencies. The MOU with US EIA would result in exchange of hydrocarbon sector information to complement existing hydrocarbon sector statistics and other hydrocarbon sector market information. The MOU with Uzbekistan is intended to help Indian Oil PSUs to secure oil & gas assets in Uzbekistan and third countries.

10. This Government-to-Government dialogue and MOUs have resulted in creating conducive environment for the companies to cooperate in acquiring assets in third countries, ONGC Videsh Ltd. (OVL), has acquired an oil asset in Syria with China National Petroleum Corporation (CNPC) and another asset in Colombia with China Petroleum & Chemical Corporation (SINOPEC). In addition, OVL as well as other National Oil Companies (NOCs) such as Oil India Ltd. (OIL), Indian Oil Corporation Ltd. (IOC), GAIL (India) Ltd. (GAIL), Bharat Petroleum Corporation Ltd. (BPCL) and Hindustan Petroleum Corporation Ltd. (HPCL) have acquired participating interests in Oil and Gas projects abroad in 20 countries. Approximate investments made by NOCs in Overseas E&P projects as at the end of 2006 was approx. Rs. 21000 crore. OVL's Greater Nile Oil Project (GNOP) in Sudan, Sakhalin-I Project in Russia, Vietnam Project (Block 06.1), Block 24 in Syria and Mansarovar Project in Colombia, in all of which OVL has participating interest, yield oil and gas production of the order of 6 million tonnes per annum. The other assets are at various stages of exploration. The budget estimates for investment abroad by NOCs is about Rs. 5500 crores in 2007-08. Country-wise details of investment made and budget estimate for 2007-08 is given in the Statement.

Statement

Overseas Investment till 2006 and Budget estimates for 2007-08

(Rs. in crore)

Country	Comulative E&P Investment till 2006	Pipeline Investment till 2006	Marketing Investment till 2006	Budget estimates 2007-08
Australia	6.54	-	-	2.29
Brazil	948.57	-	-	256.31
Colombia	2023.28	-	-	230
Cuba	69.12	-	-	37.42
Egypt	26.18	-	-	49.13
Gabon	57.14	-	-	57.89
Iran	223.68	-	-	35.22
Iraq	4.53	-	-	1
Libya	112.6	-	-	212.71
Mauritius	-	-	75.67	—
Myanmar	386.71	-	-	99.15
Nigeria	34.22	-	-	44.1
Nigeria Sao Tome Principle JDA	9.46	-	-	46
Oman	1.78	-	-	15.91
Qatar	36.9	-	-	272.99
Russia	7735	-	-	708.4
Sri Lanka	-	-	194.14	-
Sudan	6892.26	750.91	-	1078.16
Syria	1062.59	-	-	48.59
Timor & Australia	-	-	-	18
Vietnam	1051.27	-		326.84
Yemen	-	-	-	11.1
UAE	-	-	1.26	-
Others	-	-	-	2025.65
TOTAL	20681.82	750.91	271.07	5576.86